



Summary

Did Washington County just totally ignore the state and national recessions during 2002? Almost. While recessionary pressures nudged Washington County's unemployment rate up, most other indicators suggested that the county's economy remained robust. Job growth was healthy, construction remained strong and sales continued to expand.

Population

Population expansion is a major impetus behind the county's economic growth. As the population continues to expand, the "big box" retailers have found Washington County more and more attractive. And, other businesses have found customers for their services.

Just how fast has the population growth been? Recently released estimates from the U.S. Census Bureau tell us that almost 100,000 individuals lived in Washington County during 2002. That represents a 5-percent increase in population from 2001. Historically, Washington County's population has increased between 85 and 95 percent per decade for the last three decades. The only county in Utah with faster population growth in the 1990s was Summit County.

While Ivins experienced the most rapid population boom between 1990 and 2000, St. George continued to attract the most new residents. Rockville and Enterprise were the slowest growing communities in the county. Yet, they still managed to increase their population bases by more than one-third. Population estimates for 2000 to 2002 also show Ivins with the most rapid population growth—22 percent in just two years.

Demographics

One of the most startling changes the Census revealed was an increase in Washington County's Hispanic population. In 1990, less than 2 percent of the county's population was Hispanic. By 2000, that share had increased to more than 5 percent. Still, Washington County

has not become a hotbed of diversity. Only 9 percent of the county's population is nonwhite or Hispanic compared to 31 percent nationally.

Despite great in-migration of working-age individuals, Washington County saw its retirement-age population increase slightly during the 90s. Census data shows that 17 percent of the county's population is over the age of 65—compared to only 9 percent in Utah.

In addition, Washington County's population is heavy on the young side. Roughly 31 percent of the population is 18 years old or younger, compared to 26 percent nationally. This age distribution means Washington County has a smaller-than-average working-age population to support its nonworkers.

Washington County's household size has decreased slightly over the 90s. However, Washington County families are more likely than Utah or U.S. families to be headed by a married couple. Moreover, only 7 percent of the county's families are headed by women with children compared to 8 percent in Utah and 11 percent nationally.

Educational status also improved during the last decade. In 2000, 88 percent of Washington County residents over the age of 25 had a high school diploma. But, while the share of the population with a college education increased to 21 percent in 2000, it still lags behind the state and national averages (26 and 24 percent respectively).

The Labor Market

While both the nation and Utah showed a net employment loss during 2002, Washington County managed moderate job growth—4.5 percent. As in 2001, Washington County was the fourth-fastest growing county in the state. And, just as in 2001, the lead counties were much smaller than Washington County. All in all, county employers added more than 1,600 net new jobs to their payrolls during 2002.

During this time, the national industrial structure used to classify industries changed. The newly created industry of private education/health/social services added the most new Washington County jobs. These new positions were largely concentrated in health services and residential care (which includes teen help programs). However, transportation/trade/utilities ran a close “second” in the job-creation race. In fact, the only industry to lose employment was manufacturing, which suffered a small 20-job loss. That’s not a bad record during a national recession.

Although the county created jobs at a healthy rate, unemployment did creep up during 2002. In 2001, the jobless rate measured 3.8 percent. The 2002 figure registered 4.6 percent. However, please note that even with that increase, the jobless rate in Washington County remained more than a full percentage point below the state and national averages.

Recently released data from the 2000 Census shows that while labor force participation remains relatively low in Washington County (it’s all those nonworking seniors), it did increase in the 90s. In particular, women moved into the workforce in greater numbers. Not surprisingly, the census data also shows that more children under six have both parents in the workforce—almost half.

Wages and Income

The economy staved off recessionary ills during 2002, but what about what everyone really wants to know? Did wages increase? Between 2001 and 2002, Washington County’s average monthly nonfarm wage increased about 2 percent to measure \$1,898. That’s just ahead of inflation. In other words, the buying power of county workers improved slightly during 2002.

However, the county maintained its status when compared to state wages. Washington County’s average wage measured 76 percent of the state average—no different than in 2001.

Lower wages are partially due to the county’s heavy dependence on retail and tourism. Often, jobs created to fill these needs are typically low-pay and part-time. An abundant young workforce attending Dixie College also plays a part. And, even the expanding economy works to keep wages low. When new firms enter the area or expand, they often hire at the bottom of their pay

scales. And in general, the less urban the area, the lower the wages. It’s how the economy works.

With the new industrial coding structure, financial activities show the highest average monthly wages in the county—\$2,305. However, information services, private education/health/social services, manufacturing, and government all showed average monthly wages above the \$2,000 mark. Where’s the lowest pay? The leisure/hospitality industry, which includes the tourism-related industries of recreation, lodging, and restaurants.

Measures of income (which includes interest income, rental income, business income, government payments such as Social Security and welfare, as well as wages) also show Washington County with lower-than-average per capita and family income indicators. Interestingly, Washington County is unusual in that a high percentage of personal income comes from sources other than wages.

Washington County estimates of poverty for individuals (11 percent) falls between the national rate (12 percent) and the state rate (9 percent). Poverty showed a noticeable decline in the 90s.

Other indicators

Construction and taxable sales bolstered the case for a strong Washington County economy in 2002. The value of both residential and nonresidential approved building permits reached all-time highs during 2002. While the number of homes permitted didn’t touch 1994 levels, their number measured the highest since 1995. St. George continued as the area of strongest residential expansion. Washington City ran a distant second.

Sales continued to be robust during 2002 by showing a 9-percent increase over 2001. Business investment was particularly strong during 2002.

The End

While not totally unphased by the national recessionary ills, Washington County’s economy remained healthy during 2002 with strong expansion in jobs, construction, and sales. As the nation begins its economic recovery, Washington County should continue to experience robust expansion in the years ahead.